

§ 97.622, the Administrator will notify the authorized account representatives of both accounts subject to the transfer of:

- (1) A decision not to record the transfer, and
- (2) The reasons for such non-recording.

§ 97.624 Compliance with TR SO₂ Group 1 emissions limitation.

(a) *Availability for deduction for compliance.* TR SO₂ Group 1 allowances are available to be deducted for compliance with a source's TR SO₂ Group 1 emissions limitation for a control period in a given year only if the TR SO₂ Group 1 allowances:

- (1) Were allocated for such control period or a control period in a prior year; and

- (2) Are held in the source's compliance account as of the allowance transfer deadline for such control period.

(b) *Deductions for compliance.* After the recordation, in accordance with § 97.623, of TR SO₂ Group 1 allowance transfers submitted by the allowance transfer deadline for a control period in a given year, the Administrator will deduct from each source's compliance account TR SO₂ Group 1 allowances available under paragraph (a) of this section in order to determine whether the source meets the TR SO₂ Group 1 emissions limitation for such control period, as follows:

- (1) Until the amount of TR SO₂ Group 1 allowances deducted equals the number of tons of total SO₂ emissions from all TR SO₂ Group 1 units at the source for such control period; or

- (2) If there are insufficient TR SO₂ Group 1 allowances to complete the deductions in paragraph (b)(1) of this section, until no more TR SO₂ Group 1 allowances available under paragraph (a) of this section remain in the compliance account.

(c)(1) *Identification of TR SO₂ Group 1 allowances by serial number.* The authorized account representative for a source's compliance account may request that specific TR SO₂ Group 1 allowances, identified by serial number, in the compliance account be deducted for emissions or excess emissions for a control period in a given year in accordance with paragraph (b) or (d) of

this section. In order to be complete, such request shall be submitted to the Administrator by the allowance transfer deadline for such control period and include, in a format prescribed by the Administrator, the identification of the TR SO₂ Group 1 source and the appropriate serial numbers.

(2) *First-in, first-out.* The Administrator will deduct TR SO₂ Group 1 allowances under paragraph (b) or (d) of this section from the source's compliance account in accordance with a complete request under paragraph (c)(1) of this section or, in the absence of such request or in the case of identification of an insufficient amount of TR SO₂ Group 1 allowances in such request, on a first-in, first-out accounting basis in the following order:

- (i) Any TR SO₂ Group 1 allowances that were allocated to the units at the source and not transferred out of the compliance account, in the order of recordation; and then

- (ii) Any TR SO₂ Group 1 allowances that were allocated to any unit and transferred to and recorded in the compliance account pursuant to this subpart, in the order of recordation.

(d) *Deductions for excess emissions.* After making the deductions for compliance under paragraph (b) of this section for a control period in a year in which the TR SO₂ Group 1 source has excess emissions, the Administrator will deduct from the source's compliance account an amount of TR SO₂ Group 1 allowances, allocated for a control period in a prior year or the control period in the year of the excess emissions or in the immediately following year, equal to two times the number of tons of the source's excess emissions.

(e) *Recordation of deductions.* The Administrator will record in the appropriate compliance account all deductions from such an account under paragraphs (b) and (d) of this section.

§ 97.625 Compliance with TR SO₂ Group 1 assurance provisions.

(a) *Availability for deduction.* TR SO₂ Group 1 allowances are available to be deducted for compliance with the TR SO₂ Group 1 assurance provisions for a control period in a given year by the owners and operators of a group of one